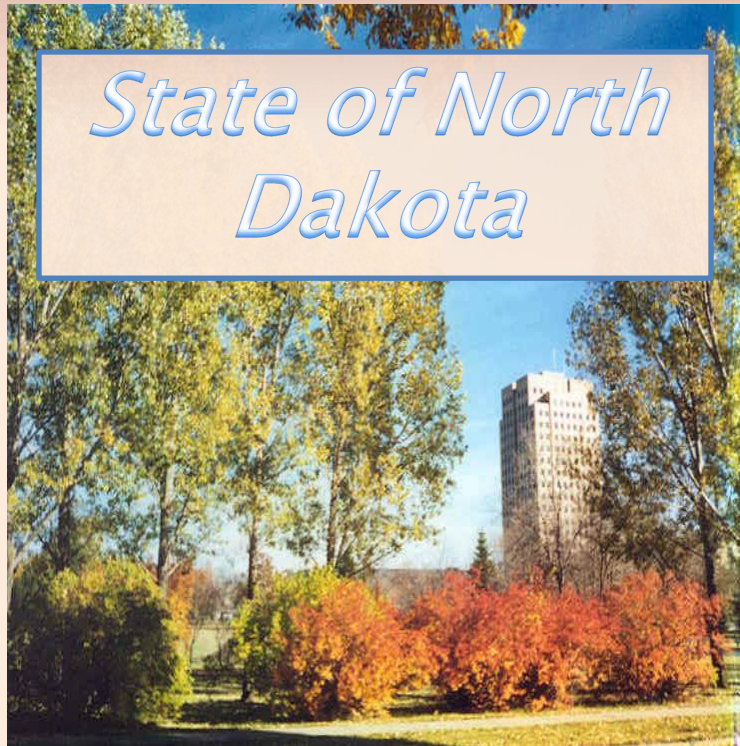


2009 Risk Management Seminar



*State of North
Dakota*



Welcome

Things to Know

- Breaks – refreshments in Classroom
- Exits
- Restrooms

Risk Management Fund

Fund Losses to Date:

Indemnity incurred: \$6,297,728

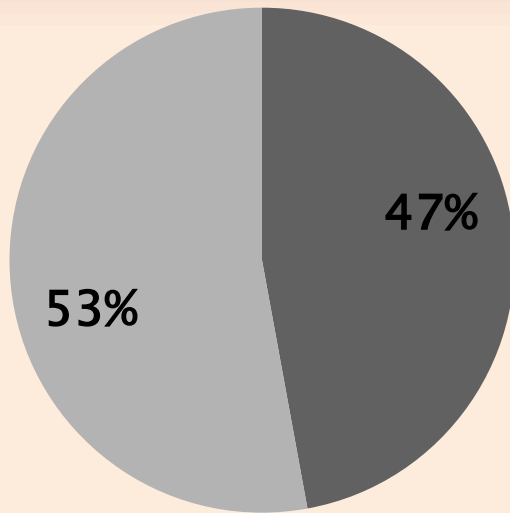
Expenses incurred: \$2,504,798

Total: \$8,802,526

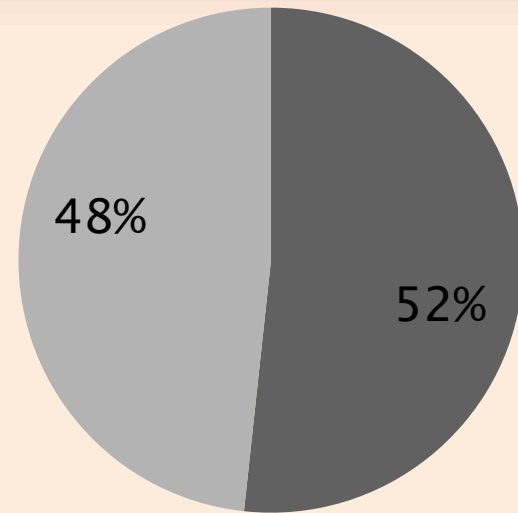
* (Paid and Reserved)

Risk Management Fund Status

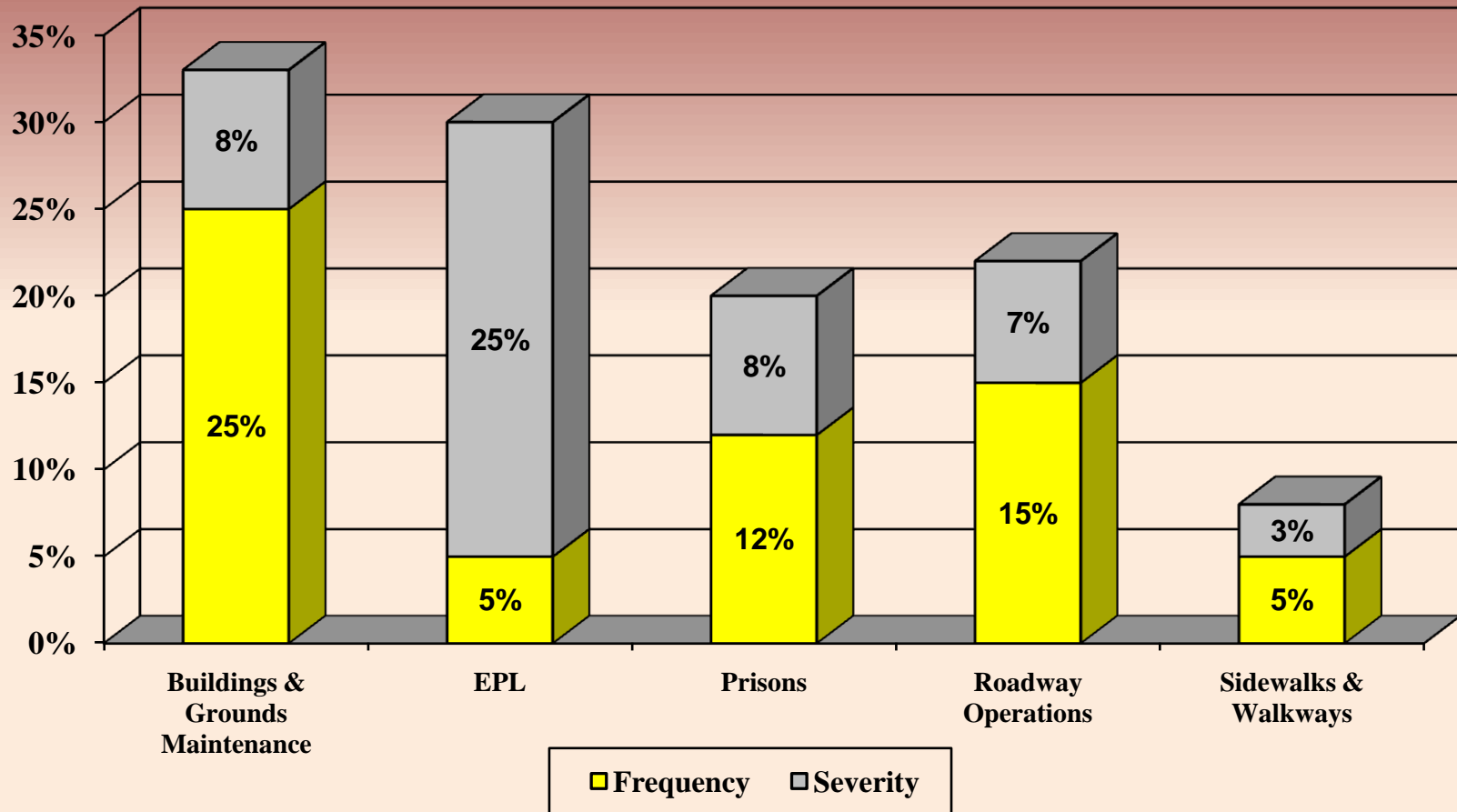
Number of Claims and Lawsuits



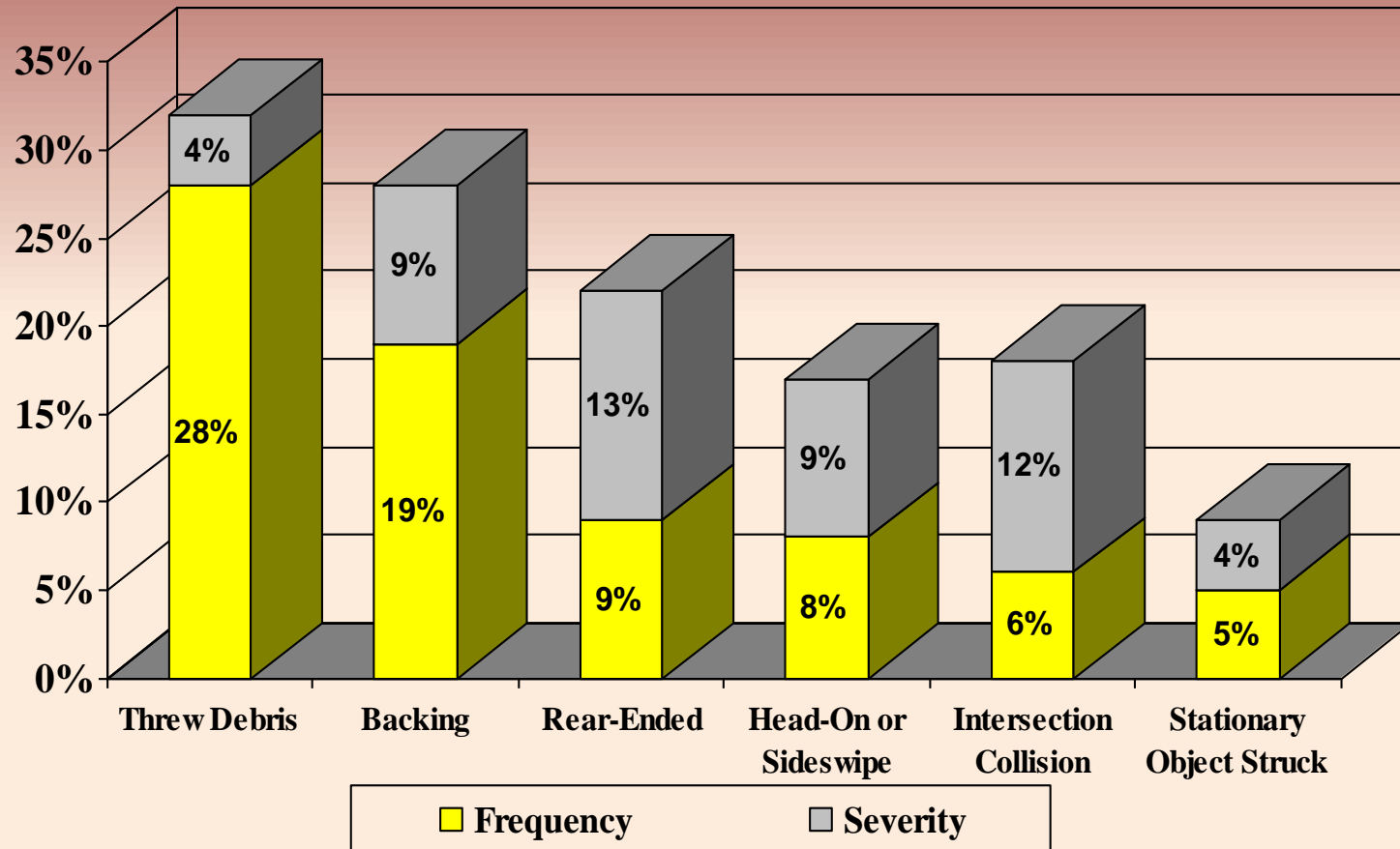
Costs of Claims and Lawsuits



Risk Management Fund Status



Risk Management Fund Status



Risk Management Workers Compensation Fund

WSI estimates from July 1, 2001 through June 30, 2008 estimated premium savings paid by state agencies of \$8,213,056.

Approximately \$2,043,675 returned to state agencies through RMWCP Discount Program.

Approximately \$684,098 returned through RMWCP Dividend Program.

WSI Premium Dividend Credits.

Risk Management Workers Compensation Fund

Actuarial Review undertaken of
the RMWCP Fund.

Future Discounts or Dividends will
be tied to the actuarial analysis.

Legislation Impacting Risk Management

SB 2256: Contracts with political subdivisions.

- Indemnification agreements prohibited.

Legislation Impacting Risk Management

HB 1122: Contracts limiting a vendor's liability to the State.

- **May now include contracts for services related to the purchase or lease of software, communications, or electronic equipment.**
- **Only indirect consequential loss may be waived.**

Legislation Impacting Risk Management

HB 1004: Risk Management Records.

- **Clarifies that exempt Risk Management records remain exempt even where a copy is retained by the agency.**

Legislation Affecting Risk Management Workers Compensation Program

HB 1101: WSI Injury Service Bill.

- Increases dependency allowance from \$10 to \$15 per week per child.
- Increases pre-acceptance benefits from the minimum benefit rate to the standard rate.
- Increases the maximum disability benefit from 110% to 125% of the state's average weekly wage.
- Increases travel and other personal reimbursements on aggravation claims to 100%.
- Increases Death Benefits.

Legislation Affecting Risk Management Workers Compensation Program

HB 1036: Premium Rates Bill.

- Establishes that premium rates be determined actuarially.
- The selected statewide average premium rate level change may not deviate by more than 5 percentage points from the statewide actuarial indicated rate.

Legislation Affecting Risk Management Workers Compensation Program

HB 1061: Artificial Members Bill.

- Provides for payment of “artificial members” such as eyeglasses, contact lenses, dental braces, and orthopedic braces if an injury occurs and damages those prescriptive devices.

Legislation Affecting Risk Management Workers Compensation Program

HB 1062: Vocational Rehabilitation Bill.

- Allows an extension of an additional 20 weeks for retraining programs.
- Expands categories within the rehabilitation hierarchy.
- Establishes a pilot program to assess new methods of providing rehabilitation services.
- Establishes that WSI will collect data on the status of claims that receive rehabilitation services.

Legislation Affecting Risk Management Workers Compensation Program

HB 1063: Pre-existing Conditions Bill.

- Injured worker is not liable for medical expenses paid by WSI for up to the first 60 days of treatment if pre-existing condition was unknown, or up until the time the pre-existing condition became known.
- Expenses incurred under this section cannot be charged to the employer for purposes of experience rating.

Legislation Affecting Risk Management Workers Compensation Program

SB 2055: Presumption Clause Bill.

- Clarifies that the presumption clause can be rebutted if there exists clear and convincing evidence the condition or impairment was not work-related.

Legislation Affecting Risk Management Workers Compensation Program

SB 2056: Payment of Mileage Door-to-Door Bill.

- The calculation of mileage paid to injured workers for appointments for travel by motor vehicle will be for miles actually used and necessarily traveled, instead of city limit to city limit.

Legislation Affecting Risk Management Workers Compensation Program

SB 2057: Engrossed Loss of Vision Permanent Partial Impairment (PPI) Bill.

- **Adds a permanent partial impairment schedule award for the partial loss of eye sight.**

Legislation Affecting Risk Management Workers Compensation Program

SB 2058: IME Definition Bill.

- Defines an independent medical examination (IME) as an actual exam conducted on an injured worker, and an independent medical review (IMR) as a review in which only the injured workers' records are reviewed.

Legislation Affecting Risk Management Workers Compensation Program

SB 2089: Independent Review (OIR) Attorney Fees Bill.

- Provides for attorney fees and costs for review of a claim after successful completion of the office of Independent Review (OIR) process or review of a settlement offer. Attorney fees are capped at \$500 and costs are capped at \$150.
- Requires report to the Legislative Assembly on the number of injured workers eligible for attorney fees and costs.

Legislation Affecting Risk Management Workers Compensation Program

HB 1073: Coverage for Emergency Volunteer Healthcare Practitioners.

- **Provides death or injury benefits to volunteer healthcare practitioners who dies or is injured as a result of providing health or veterinary services.**

Legislation Affecting Risk Management Workers Compensation Program

HB 1201: Office of Independent Review Name Change.

- **Changes the WSI Office of Independent Review (OIR) to Decision Review Office (DRO)**

Legislation Affecting Risk Management Workers Compensation Program

HB 1455: Benefits for Surviving Spouse following death of Permanent Total Disability (PTD) recipient.

- Provides that a surviving spouse would be eligible to receive, for up to 6 months, a decedent's permanent total disability, supplementary or additional benefits payable benefits if the injured employee was permanently and totally disabled for at least 10 years and was married to the surviving spouse for at least 10 years and provided WSI approved home health care for the decedent.

Legislation Affecting Risk Management Workers Compensation Program

HB 1561: Bill for Treating Doctor's Opinion in WSI Claims.

- **Requires WSI to justify why it is not following treating doctor's opinion.**

Legislation Affecting Risk Management Workers Compensation Program

SB 2419: Rehabilitation Allowances for Second Household and Travel Expenses Bill.

- Provides injured workers a 30% expense allowance for maintaining a 2nd household or traveling more than 25 miles one-way when attending a retraining program.
- Provides a sliding scale mileage allowance for those commuting less than 50 miles round trip while attending a school program.

Legislation Affecting Risk Management Workers Compensation Program

SB 2431: Independent Medical Examinations (IME) Bill.

- **Requires WSI to make a reasonable effort to either designate a duly qualified doctor licensed in the state in which the injured worker resides or a duly qualified doctor within a 275 mile radius of the injured worker's residence to conduct IME's.**

Legislation Affecting Risk Management Workers Compensation Program

SB 2432: Changes to the Designated Medical Provider or Preferred Provider Statue Bill.

- **Allows an injured worker to request a change in medical providers after 30 days instead of 60 days from date of injury.**

Legislation Affecting Risk Management Workers Compensation Program

SB 2433: Bill for Work Search.

- **Requires WSI when the first appropriate vocational rehabilitation option is identified, to notify the injured worker of the obligation to make a good-faith work search or good-faith work trial and provide information to the injured worker regarding reinstatement of benefits in the work search or work trial were unsuccessful.**

Discount Programs

Program Applications

Documentation Requirements

Deadline June 30th

Intent Behind Changes

More objective review.

Recognize agency flexibility in approach.

Provide discounts where loss control activities are actually implemented in a meaningful manner.

Leased Rental Vehicles

Risk Management assumption of liability under contract for leased or rented vehicles only extends to driving activities within the scope of employment.

Personal errands. Courtesy vehicles.

Leased Rental Vehicles

Risk Management
responsible if the loss is not
covered by the employee's
personal insurance or
through the rental company.
N.D.C.C. 32-12.2-02(s).

Leased Rental Vehicles

Only individuals acting in some official capacity may operate or ride in a rented or leased vehicle. Same as state fleet vehicles.

Example: Spouse accompanies State employee on business trip.

Questions

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